



300 E. Mineral Ave., Suite 10
Littleton, CO 80122-2631
303/781-8211 303/781-1167 Fax

May 8, 2006

Rich McClure
Bureau of Land Management
Moab Field Office
82 East Dogwood
Moab, Utah 84532

RE: Application for Permit to Drill—Elk Production Company, LLC
Federal #14-11, 1,810' FSL, 533' FWL, NW/4 SW/4,
Section 14, T20S, R21E, SLB&M, Grand County, Utah

Dear Rich:

On behalf of Elk Production, LLC (Elk), Buys & Associates, Inc. respectfully submits the enclosed original and three copies of the Application for Permit to Drill (APD) for the above referenced well. Included with the APD is the following supplemental information:

Exhibit "A" - Survey plats, layouts and photos of the proposed well site;

Exhibit "B" - Proposed location maps with access and utility corridors;

Exhibit "C" - Drilling Plan;

Exhibit "D" - Surface Use Plan;

Exhibit "E" - Typical BOP and Choke Manifold diagram.

Please accept this letter as Elk Production's, written request for confidential treatment of all information contained in and pertaining to this application.

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Kevin Weller, P.E. of Elk at 303-339-1922 if you have any questions or need additional information.

Sincerely,

Don Hamilton
Don Hamilton
Agent for Elk Production, LLC

cc: Diana Whitney, Division of Oil, Gas and Mining
Kevin Weller, P.E., Elk Production, LLC
Karin Kuhn, Elk Production, LLC

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DIV. OF OIL, GAS & MINING

FILE COPY

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-02139-A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Elk Production, LLC		7. If Unit or CA Agreement, Name and No. undesignated
3a. Address 1401 - 17th Street, Suite 700 Denver, Colorado 80202		8. Lease Name and Well No. Federal #14-11
3b. Phone No. (include area code) 303-339-1922		9. API Well No. 43-019-314 77
4. Location of Well (Report location clearly and in accordance with any State requirements*) At surface 1,810' FSL, 533' FWL, NW/4 SW/4, 623603X - 109.571355 At proposed prod. zone 1,810' FSL, 533' FWL, NW/4 SW/4, 4324672Y		10. Field and Pool, or Exploratory Cisco
11. Sec., T. R. M. or Blk. and Survey or Area Section 14, T20S, R21E, SLB&M		12. County or Parish Grand
13. State UT		14. Distance in miles and direction from nearest town or post office* 15.05 miles northwest of Cisco, Utah
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 533'	16. No. of acres in lease 40 acres	17. Spacing Unit dedicated to this well 40 acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 800'	19. Proposed Depth 2,900'	20. BLM/BIA Bond No. on file B 000971
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5,229' GR	22. Approximate date work will start* 06/15/2006	23. Estimated duration 9 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature <i>Don Hamilton</i>	Name (Printed/Typed) Don Hamilton	Date 05/08/2006
--------------------------------------	--------------------------------------	--------------------

Title
Agent for Elk Production, LLC

Approved by (Signature) <i>Bradley G. Hill</i>	Name (Printed/Typed) BRADLEY G. HILL	Date 05-25-06
Title ENVIRONMENTAL MANAGER		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

Federal Approval of this
Action is Necessary

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MAY 12 2006

DIV. OF OIL, GAS & MINING

SCALE 1" = 1000'	DATE SURVEYED: 01-02-06	DATE DRAWN: 01-07-06
PARTY D.K. L.K. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ELK PRODUCTION, LLC	

DRILLING PLAN

Elk Production, LLC
Federal #14-11
NWSW of Section 14, T-20-S, R-21-E
Grand County, UT

1,2,3 Estimated Tops of Geological Markers and Formations Expected to Contain Water, Oil and Gas and Other Minerals

<u>Formation</u>	<u>Depth</u>
Mancos Shale	Surface
Greenhorn	2095'
Graneros	2177'
Dakota	2204'*
Cedar Mountain	2272'*
Morrison-Brushy Basin	2354'*
Morrison Salt Wash	2550'*
Summerville	2834'
Proposed TD	2900'

PROSPECTIVE PAY* oil and gas

** POSSIBLE OIL OR WATER

4 Casing Program

<u>HOLE</u>	<u>SETTING DEPTH</u>		<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COND.</u>
<u>SIZE</u>	<u>from</u>	<u>to</u>					
11"	surface	250'	8 5/8"	24#	J55	N-80	New
7 7/8"	surface	2900'	5 1/2"	15.5#	J55	N-80	New

5 Cementing Program

8 5/8" Surface Casing approximately 100 sx Portland cement containing 2% gel and 3% salt. Mixed at 14.8 ppg (yield – 1.37 ft³/sx). To be circulated to surface (calculated @ 100% excess).

5 1/2" Prod. Csg. approximately 229 sx 50/50 Class "G" Poz cement containing 2% gel, .3% Halad 322, .6% Halad 23, .3% Versaset, and .2% Super CBL. To be mixed at 14.2 ppg (yield – 1.33 ft³/sx). Estimated TOC 1500'.

6 Mud Program

<u>INTERVAL</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>FLUID LOSS</u>	<u>REMARKS</u>
Surf. - 250'	NA/Air drilled			
250' – 3400'	NA/Air drilled			

Sufficient KC1 brine water to contain "kick" will be available at wellsite.

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7 BOP and Pressure Containment Data

Depth Intervals

Surf. – 250'

250' – TD

BOP Equipment

No pressure control required

10" 3000# Ram Type double BOP

8" 2000# Rotating Head

Drilling spool to accommodate choke and kill lines.

Anticipated bottom hole pressure to be less than 1000 PSI

ANCILLARY EQUIPMENT AND CHOKE MANIFOLD RATED AT 3000#
ALL BOP AND BOPE TESTS WILL BE IN ACCORDANCE WITH THE REQUIREMENTS
OF ONSHORE ORDER NO. 2. PLAN TO TEST BOP TO 1500 PSI, TWICE THE POSSIBLE
SHUT-IN PRESSURE AMOUNT.

THE BLM AND THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING
WILL BE NOTIFIED 24 HOURS IN ADVANCE OF ALL BOP PRESSURE TESTS.

8 Auxiliary equipment

- a) Lower Kelly cock will be installed while drilling
- b) Floor stabbing valve 5000#
- c) Safety valve(s) and subs to fit all string connections in use

9 Testing, Logging and Core Programs

Cores None anticipated

Testing None anticipated

Sampling 30' samples; surface casing to TD

Surveys Run every 1000' and on trips

Logging Resistivity, neutron density, temperature, gamma ray, and caliper from TD to
surface casing

10 Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures or other hazards are anticipated

11 Drilling Schedule

Spud As soon as permits can be obtained

Duration 4 - 5 days drilling time

4 days completion time

HAZARDOUS MATERIAL DECLARATION

Federal #14-11

Elk Production, LLC guarantees that during the drilling and completion of the above referenced well, we will not use, produce, or store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Super Amendments and Reauthorization Act (SARA) of 1986.

Elk Production, LLC guarantees that during the drilling and completion of the above referenced well, we will use, produce, store, transport, or dispose less than the threshold planning quantity (TPQ) of any extremely hazardous substances as defined in 40 CFR 355.

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SURFACE USE PLAN

Elk Production, LLC
Federal #14-11
NWSW of Section 14, T-20-S, R-21-E
Grand County, UT

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

The onsite inspection for the referenced well was conducted on Thursday, December 15, 2005.

1. **Existing Roads:**

- a. The proposed well site is located approximately 15.05 miles northwest of Cisco, Utah.
- b. Directions to the proposed well site have been attached at the end of Exhibit B.
- c. The use of roads under State and County Road Department maintenance are necessary to access the Cisco Dome Field. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
- d. All existing roads will be maintained and kept in good repair during all phases of operation.
- e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- f. Since no improvements are anticipated to the State, County or BLM access roads no topsoil striping will occur.
- g. An off-lease federal Right-of-Way is not anticipated for the access road or utility corridor since both are located entirely on-lease.

2. **Planned Access Roads:**

- a. No access is proposed for this well since it is along the existing Federal 14-6 access road.
- b. The existing access road will travel through the proposed pad to provide a maximum distance between the existing drainage and the proposed pad.

3. **Location of Existing Wells:**

- a. Topo C of Exhibit B has a map reflecting existing wells within a one mile radius of the proposed well.

4. **Location of Production Facilities:**

- a. All permanent structures will be painted a flat, non-reflective Olive Black color to match the standard environmental colors. All facilities will be painted within six months of installation.

Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.

- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. An existing gas pipeline reroute is associated with this application and is being applied for at this time. The proposed and existing gas pipeline corridors will be rerouted around the proposed pad to accommodate construction of the pad.

5. Location and Type of Water Supply:

- a. Since this well will be air drilled the use of water for drilling is not anticipated.
- b. Water for drilling and completion operations, if necessary, will be trucked over approved access roads from Thompson, Utah. The water will be obtained through a direction purchase agreement with a private owner.

6. Source of Construction Material:

- a. The use of materials will conform to 43 CFR 3610.2-3.
- b. No construction materials will be removed from BLM lands.
- c. If any gravel is used, it will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.

- b. Drill cuttings will be contained and buried on site.
- c. A reserve pit is not anticipated at this time and will be constructed only if necessary.
- d. The reserve pit will be located inboard of the location and along the southwest side of the pad.
- e. The reserve pit will be constructed so as not to leak, break, or allow any discharge.
- f. The reserve pit will be constructed of native material and will not be lined. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- g. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- h. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completion of the well.
- i. Trash will be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container will be hauled off periodically to an approved landfill.
- j. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
- k. After initial clean-up, a 400 bbl tank will be installed. The contents will be transported by truck from the tank to an approved disposal facility for disposal.
- l. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- m. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to an approved wastewater treatment facility in accordance with state and county regulations.

8. Ancillary Facilities:

- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.

9. Well Site Layout: (See Exhibit B)

- a. The well will be properly identified in accordance with 43 CFR 3162.6.

- b. Access to the well pad will be from the southeast.
- c. The pad and road designs are consistent with BLM specification
- d. A pre-construction meeting with responsible company representative, contractors and the BLM will be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road will be construction-staked prior to this meeting.
- e. The pad has been staked at its maximum size of 150' X 200'; however it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
- f. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
- g. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
- h. Diversion ditches will be constructed as shown around the well site to prevent surface waters from entering the well site area.
- i. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
- j. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.
- k. Pits will remain fenced until site cleanup.
- l. The blooie line will be located at least 100 feet from the well head.
- m. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface:

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On BLM administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- c. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.
- d. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top soiled and re-vegetated. The stockpiled topsoil will be evenly distributed over the disturbed area.

- e. Prior to reseeding the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the BLM. The BLM recommended seed mix will be detailed within their approval documents.

11. Surface and Mineral Ownership:

- a. Surface Ownership – Federal under the management of the Bureau of Land Management - Moab Field Office, 82 East Dogwood, Moab, Utah 84532; 435-259-2127.
- b. Surface Ownership – Federal under the management of the Bureau of Land Management - Moab Field Office, 82 East Dogwood, Moab, Utah 84532; 435-259-2127.

12. Other Information:

- a. Senco-Phenix Archaeological Consultants has conducted a Class III archeological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Senco-Phenix Archaeological Consultants.
- b. Our understanding of the results of the onsite inspection are:
 - a. No Threatened and Endangered flora and fauna species were found during the onsite inspection.
 - b. No raptor habitat is known to exist within 1 mile of the proposed wellsite.
 - c. No drainage crossings that require additional State or Federal approval are being crossed.
 - d. The road may be temporarily rerouted around the pad during drilling and completion operations to provide uninterrupted access along the road. The additional disturbed area will be reclaimed as soon after completion as practical.

13. Operator's Representative and Certification

<u>Title</u>	<u>Name</u>	<u>Office Phone</u>
Company Representative	Kevin Weller, P.E.	1-303-339-1922
Agent for Elk Production, LLC	Don Hamilton	1-435-719-2018

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exists; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Elk Production, LLC and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under Elk Production's BLM bond. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Signature: Don Hamilton Date: 5-8-06

ELK PRODUCTION, LLC
FEDERAL #14-11
SECTION 14, T20S, R21E, S.L.B.&M.

PROCEED IN AN EASTERLY DIRECTION FROM GREEN RIVER, UTAH ALONG INTERSTATE-70 APPROXIMATELY 43.2 MILES TO THE WHITE HOUSE EXIT; EXIT RIGHT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 13.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN LEFT AND PROCEED IN A WESTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM GREEN RIVER, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 58.9 MILES.

ELK PRODUCTION, LLC

LOCATION LAYOUT FOR

FEDERAL #14-11
SECTION 14, T20S, R21E, S.L.B.&M.
1810' FSL 533' FWL

FIGURE #1



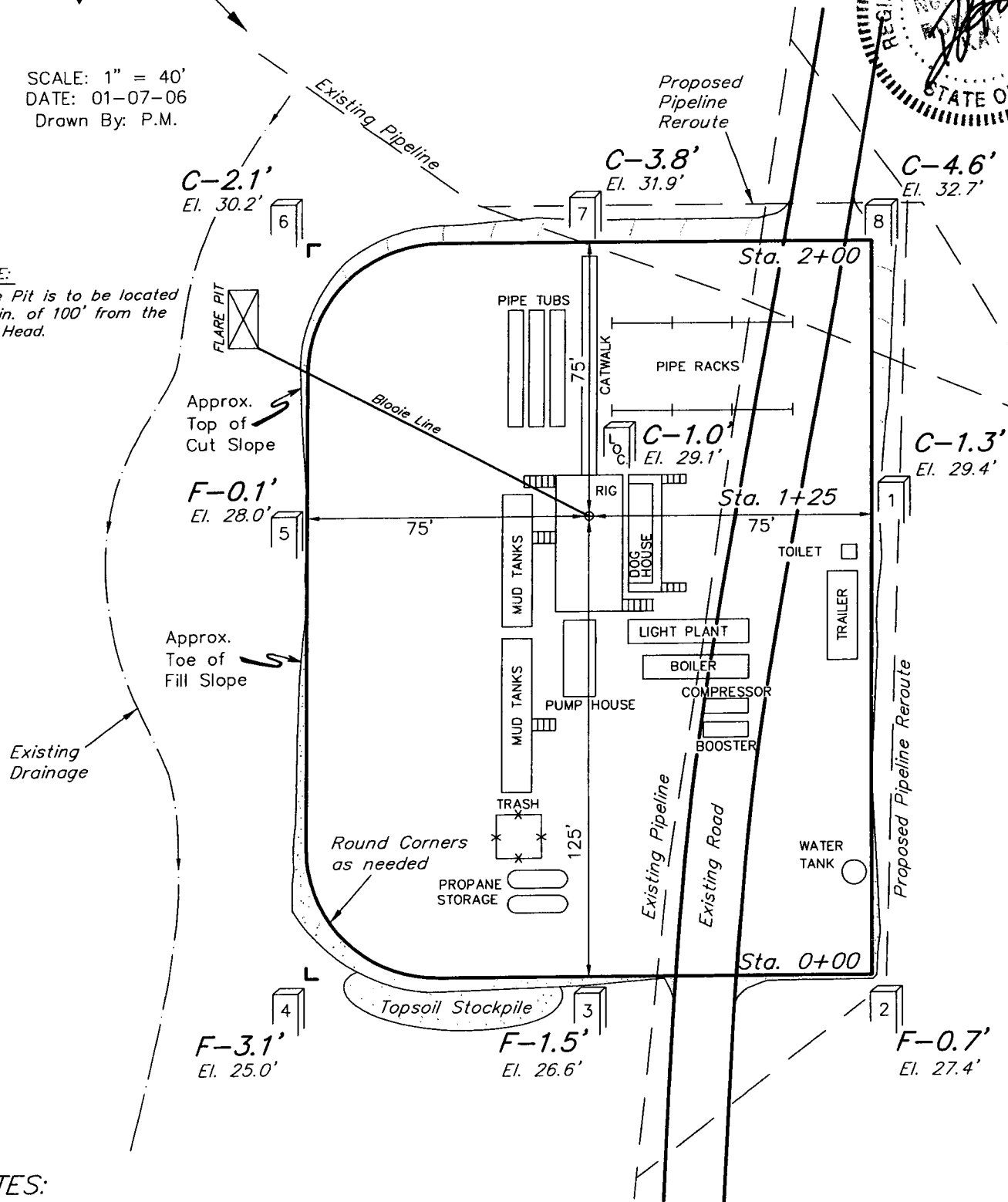
Prevailing

Winds

SCALE: 1" = 40'
DATE: 01-07-06
Drawn By: P.M.

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5229.1'
FINISHED GRADE ELEV. AT LOC. STAKE = 5228.1'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

ELK PRODUCTION, LLC

TYPICAL CROSS SECTIONS FOR

FEDERAL #14-11

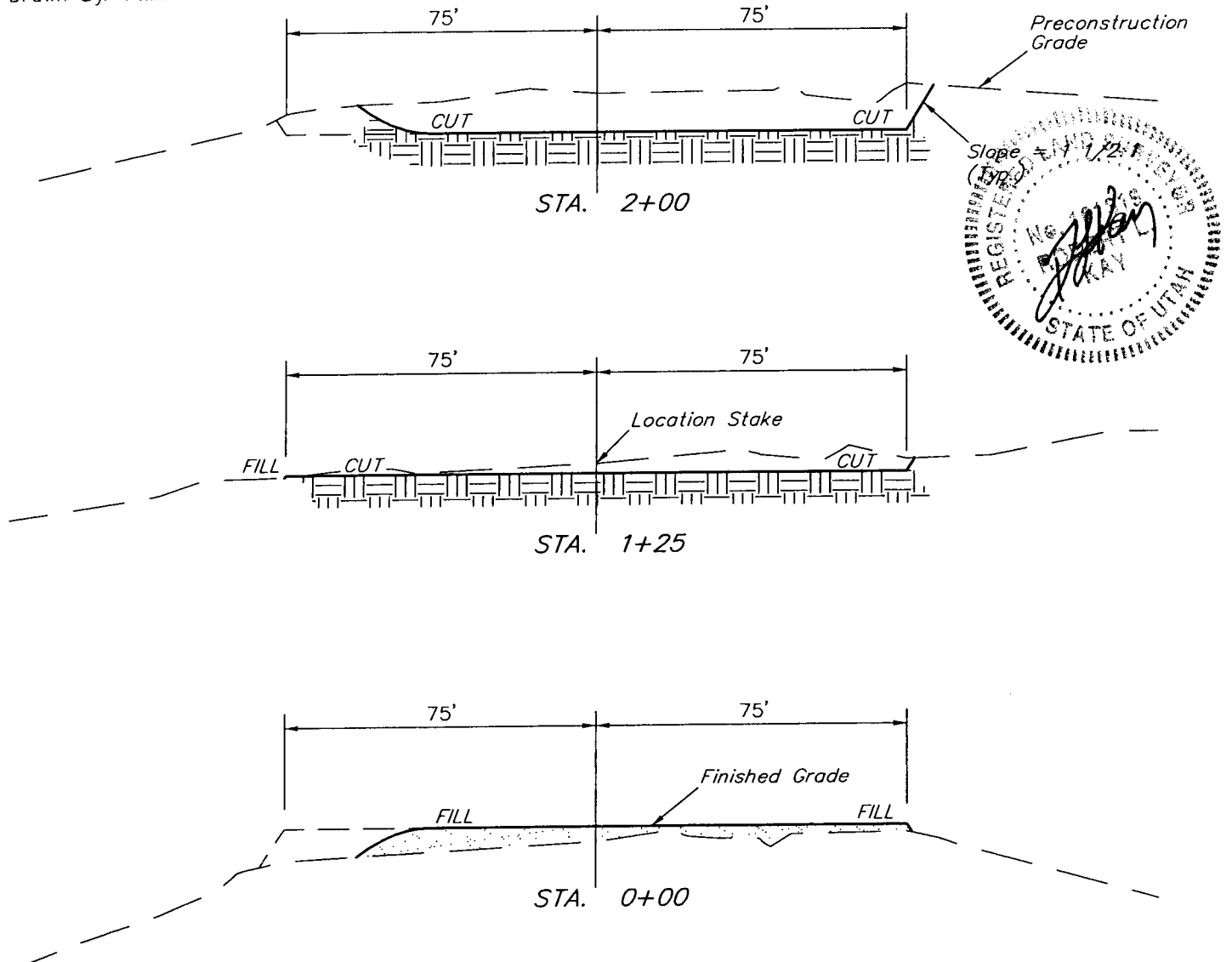
SECTION 14, T20S, R21E, S.L.B.&M.

1810' FSL 533' FWL

FIGURE #2

1" = 10'
X-Section
Scale
1" = 40'

DATE: 01-07-06
Drawn By: P.M.



NOTE:

Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

* NOTE:

FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	=	590 Cu. Yds.
Remaining Location	=	930 Cu. Yds.
TOTAL CUT	=	1,520 CU.YDS.
FILL	=	930 CU.YDS.

EXCESS MATERIAL	=	590 Cu. Yds.
Topsoil	=	590 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

ELK PRODUCTION, LLC

FEDERAL #14-11

LOCATED IN GRAND COUNTY, UTAH

SECTION 14, T20S, R21E, S.L.B.&M.

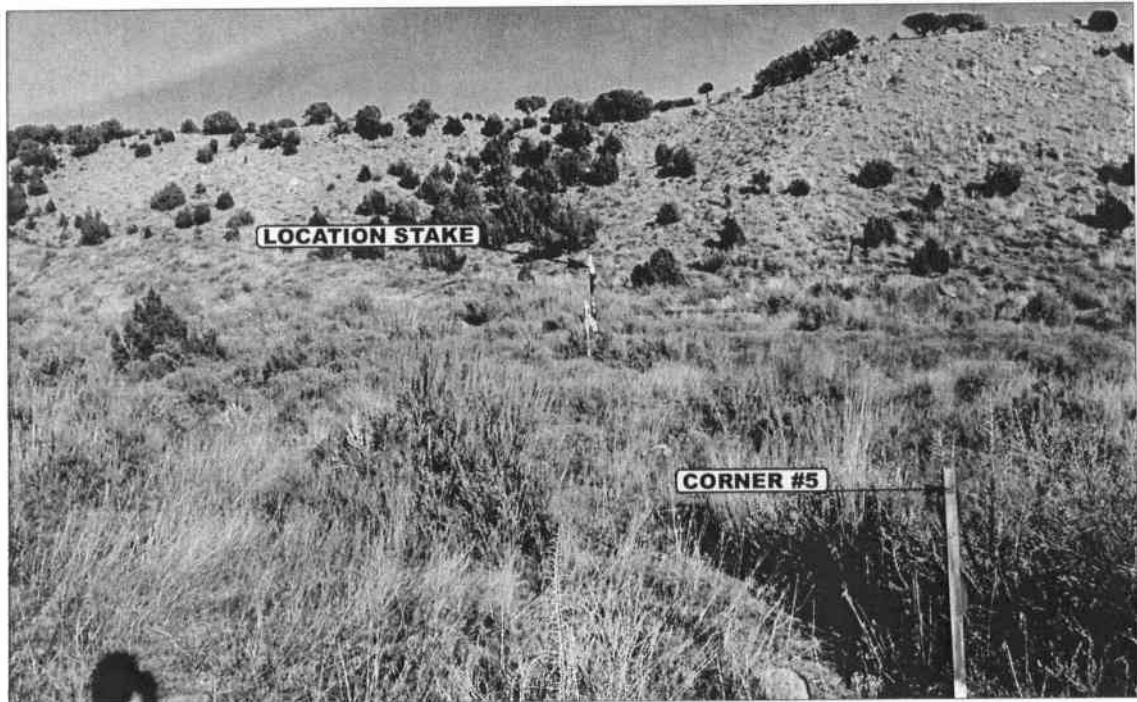


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

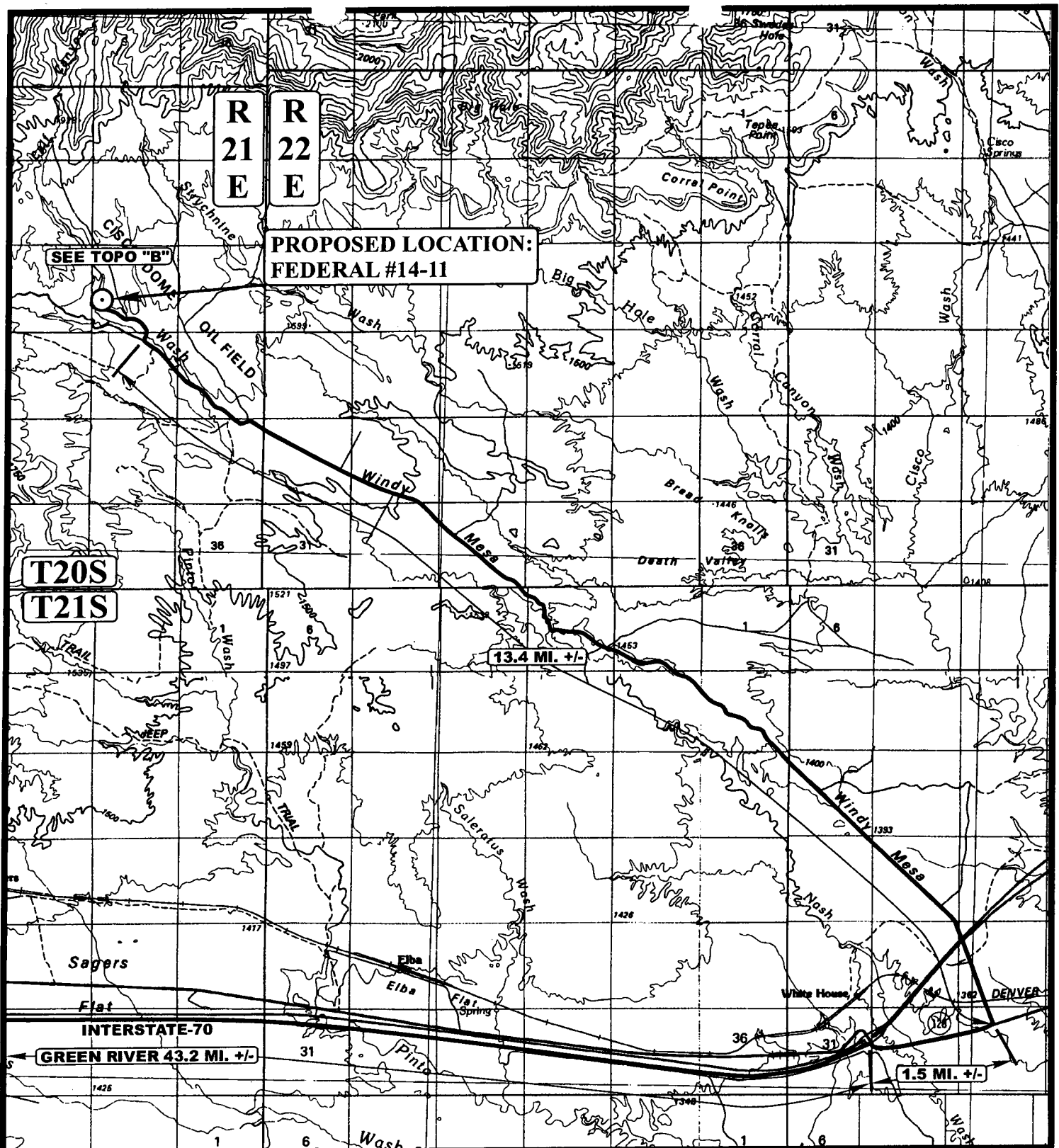
01 05 06
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K.

DRAWN BY: C.P.

REVISED: 00-00-00



LEGEND:

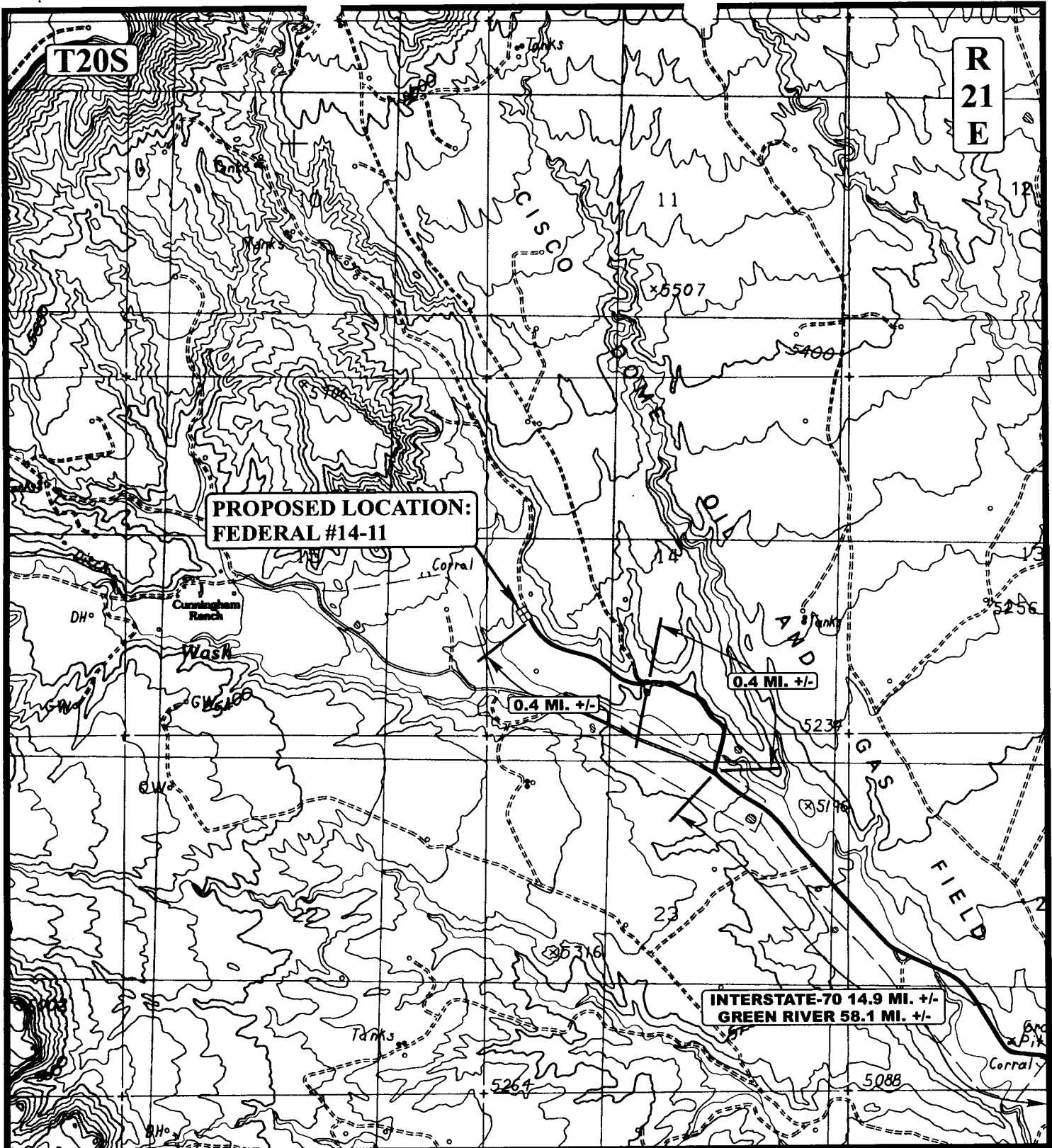


ELK PRODUCTION, LLC

FEDERAL #14-11

SECTION 14, T20S, R21E, S.L.B.&M.

1810' FSL 533' FWL



LEGEND:

— EXISTING ROAD



ELK PRODUCTION, LLC

**FEDERAL #14-11
SECTION 14, T20S, R21E, S.L.B.&M.
1810' FSL 533' FWL**



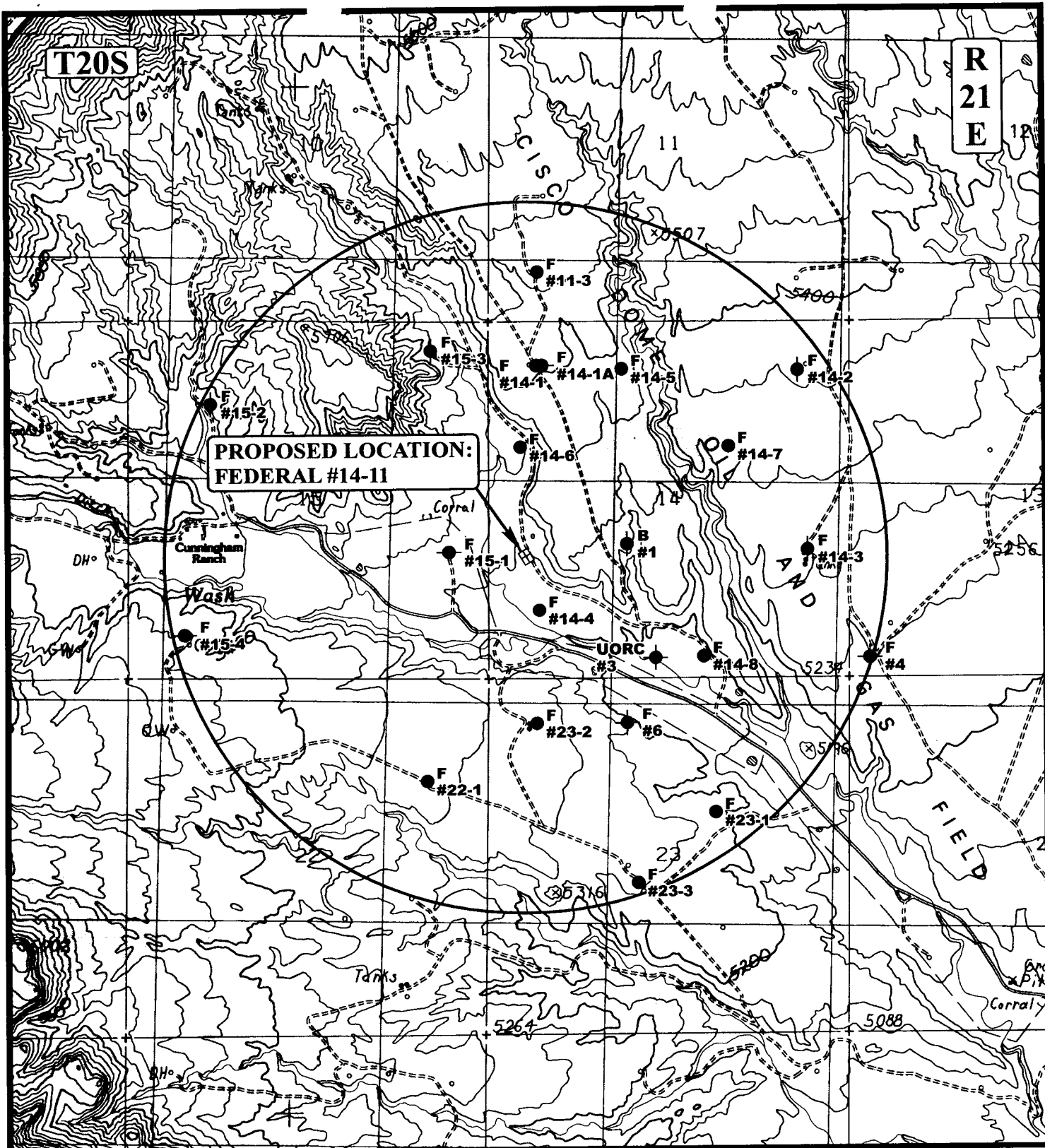
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

01 05 06
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

B
TOPO



LEGEND:

- | | |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS | ○ WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ● SHUT IN WELLS | ● TEMPORARILY ABANDONED |



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



ELK PRODUCTION, LLC

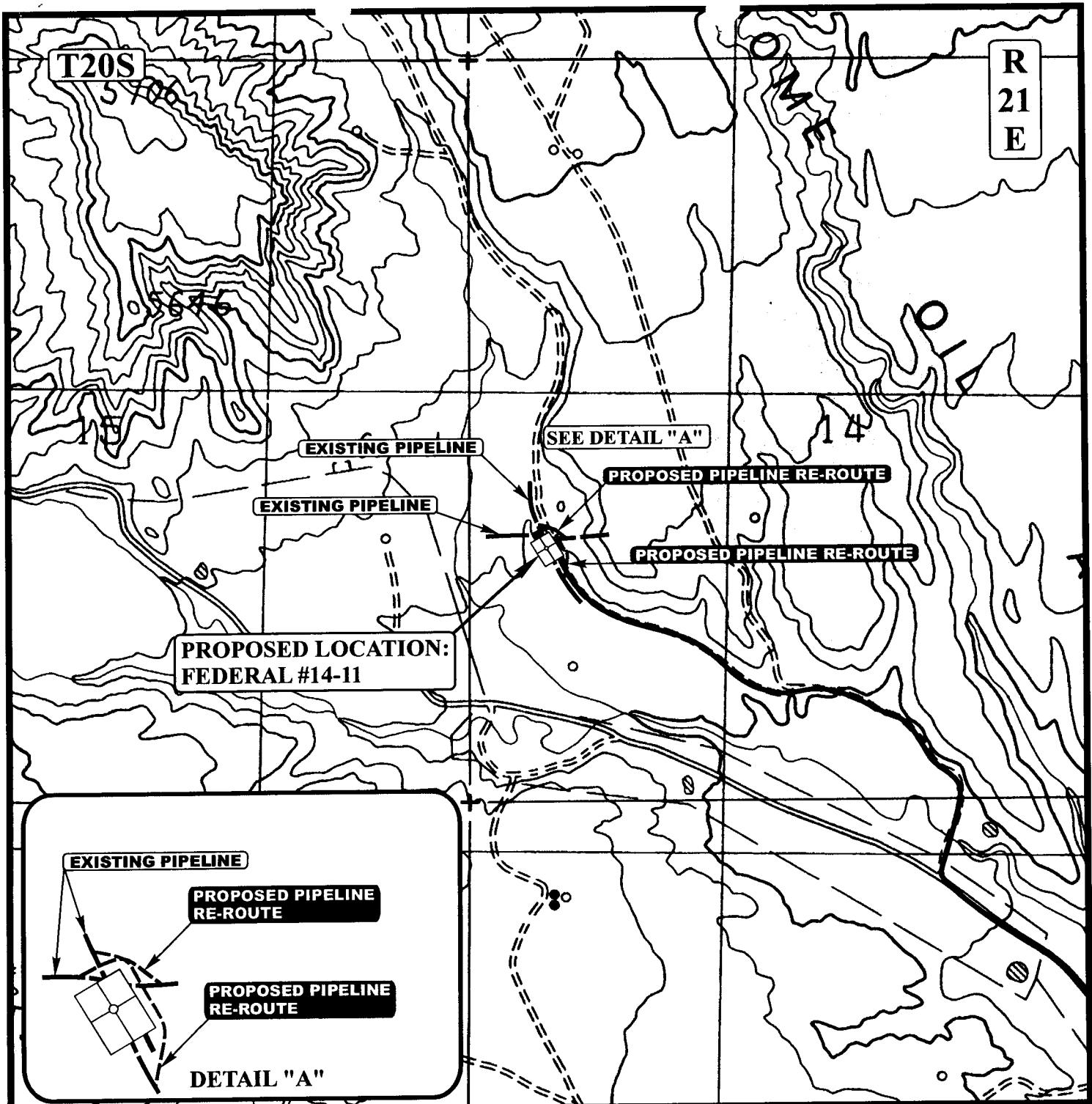
FEDERAL #14-11
SECTION 14, T20S, R21E, S.L.B.&M.
1810' FSL 533' FWL

TOPOGRAPHIC
MAP

01 **05** **06**
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE RE-ROUTE DISTANCE = 448' +/-

APPROXIMATE TOTAL PIPELINE RE-ROUTE DISTANCE = 276' +/-

LEGEND:

————— EXISTING PIPELINE
 - - - - - PROPOSED PIPELINE RE-ROUTE
 - - - - - PROPOSED PIPELINE RE-ROUTE

ELK PRODUCTION, LLC

FEDERAL #14-11
SECTION 14, T20S, R21E, S.L.B.&M.
1810' FSL 533' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

01 **05** **06**
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00



BOP Equipment

3000psi WP

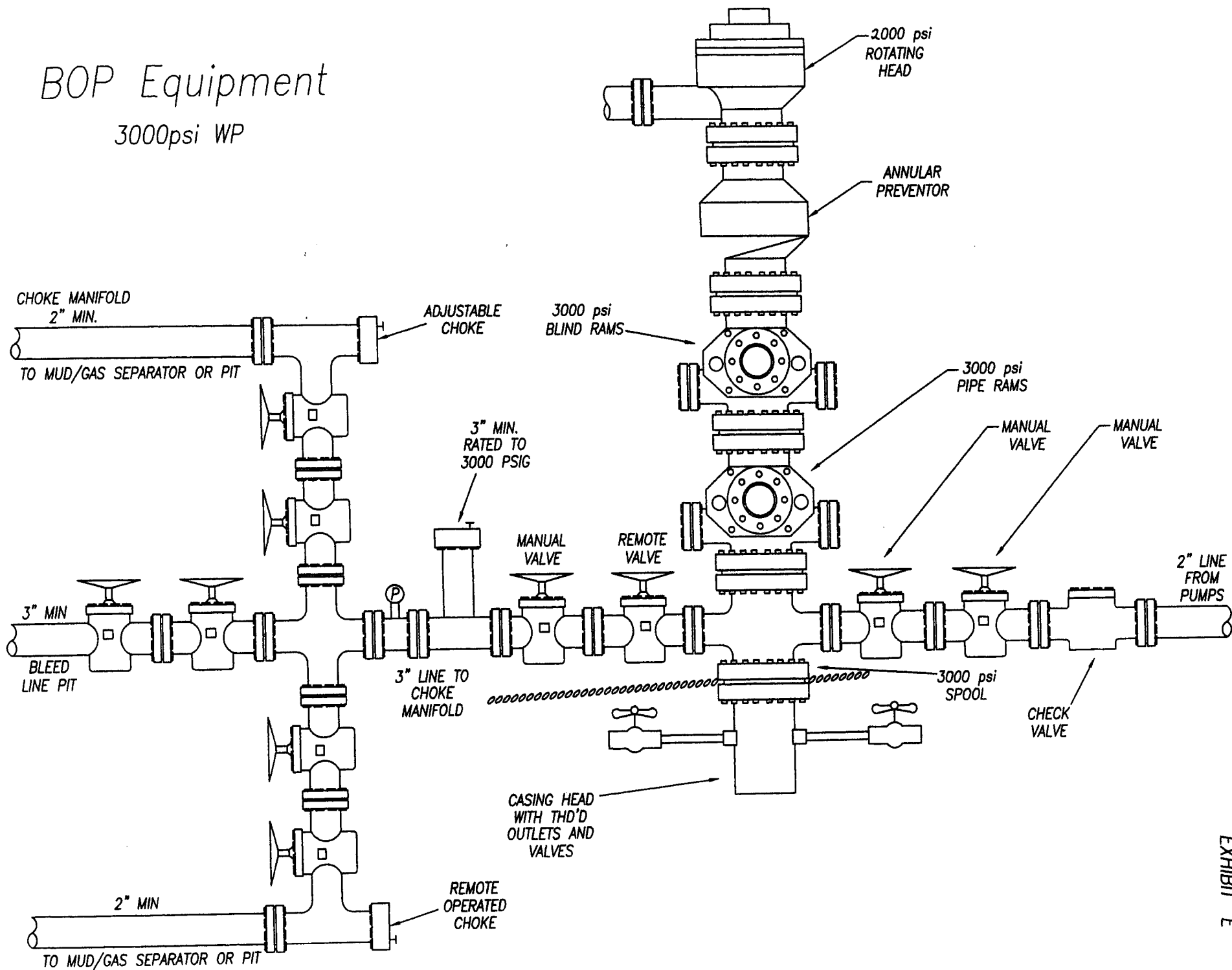


EXHIBIT "E"

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/12/2006

API NO. ASSIGNED: 43-019-31477

WELL NAME: FEDERAL 14-11

OPERATOR: ELK PRODUCTION LLC (N2650)

CONTACT: DON HAMILTON

PHONE NUMBER: 435-650-1886

PROPOSED LOCATION:

NWSW 14 200S 210E

SURFACE: 1810 FSL 0533 FWL

BOTTOM: 1810 FSL 0533 FWL

COUNTY: GRAND

LATITUDE: 39.06427 LONGITUDE: -109.5714

UTM SURF EASTINGS: 623603 NORTHINGS: 4324672

FIELD NAME: GREATER CISCO (205)

INSPECT LOCATN BY: / /

Tech Review

Initials

Date

Engineering

Geology

Surface

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-02139-A

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MRSN

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. B 000971)

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit

(No. AIR DRILLE)

☒ RDCC Review (Y/N)

(Date:)

☒ Fee Surf Agreement (Y/N)

☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

☐ R649-2-3.

Unit: _____

☐ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

☐ R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 102-16(B)

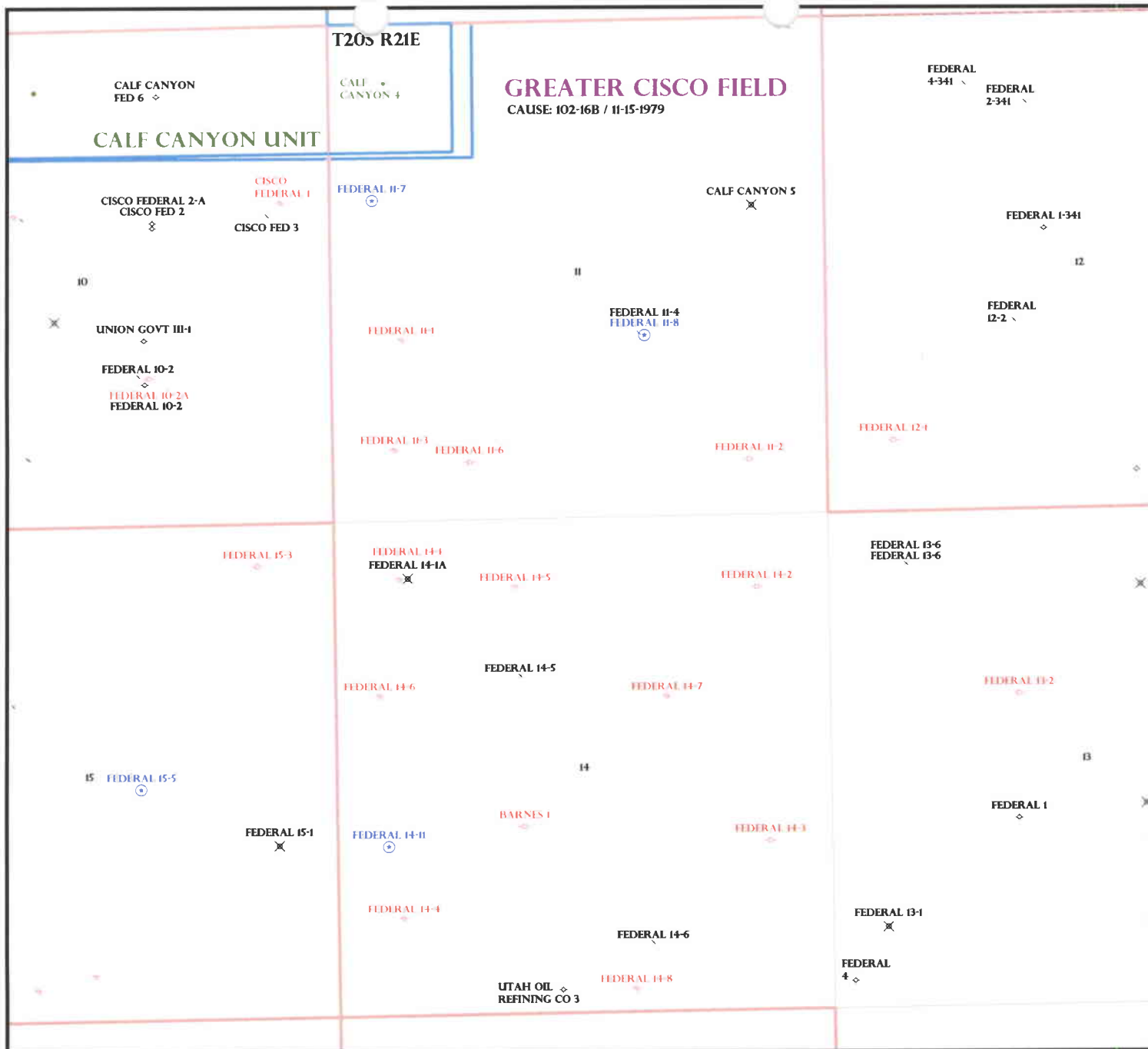
Eff Date: 11-15-1979

Siting: See Cux order

☐ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: I hereby approve



OPERATOR: ELK PROD LLC (N2650)

SEC: 11,14 T. 20S R. 21E

FIELD: GREATER CISCO 2cs

COUNTY: GRAND

CAUSE: 102-16B / 11-15-1979

Field Status
 [] ABANDONED
 [] ACTIVE
 [] COMBINED
 [] INACTIVE
 [] PROPOSED
 [] STORAGE
 [] TERMINATED

Unit Status
 [] EXPLORATORY
 [] GAS STORAGE
 [] NF PP OIL
 [] NF SECONDARY
 [] PENDING
 [] PI OIL
 [] PP GAS
 [] PP GEOTHERML
 [] PP OIL
 [] SECONDARY
 [] TERMINATED

Wells Status
 [] GAS INJECTION
 [] GAS STORAGE
 [] LOCATION ABANDONED
 [] NEW LOCATION
 [] PLUGGED & ABANDONED
 [] PRODUCING GAS
 [] PRODUCING OIL
 [] SHUT-IN GAS
 [] SHUT-IN OIL
 [] TEMP. ABANDONED
 [] TEST WELL
 [] WATER INJECTION
 [] WATER SUPPLY
 [] WATER DISPOSAL
 [] DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
 DATE: 24-MAY-2006



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

May 25, 2006

Elk Production, LLC
1401 17th Street, Suite 700
Denver, CO 80202

Re: Federal 14-11 Well, 1810' FSL, 533' FWL, NW SW, Sec. 14, T. 20 South,
R. 21 East, Grand County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-31477.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt
Associate Director

pab
Enclosures

cc: Grand County Assessor
Bureau of Land Management, Moab District Office

Operator: Elk Production, LLC
Well Name & Number Federal 14-11
API Number: 43-019-31477
Lease: UTU-02139-A

Location: NW SW **Sec.** 14 **T.** 20 South **R.** 21 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02139-A
2. NAME OF OPERATOR: Elk Production, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: NA
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1810' FSL, 533' FWL		8. WELL NAME and NUMBER: Federal 14-11
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 14 20S 21E S		9. API NUMBER: 4301931477
COUNTY: Grand		10. FIELD AND POOL, OR WILDCAT: Greater Cisco
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Extend APD</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Elk requests to extend APD expiration date for one year (expiring 5/25/08). Elk has not obtained Federal approval yet for this drilling location. See attached APD Request for Permit Extension Validation; there has been no changes to the original APD.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 06-28-07
By: [Signature]

6-29-07
RM

NAME (PLEASE PRINT) <u>Karin Kuhn</u>	TITLE <u>Sr. Engineering Technician</u>
SIGNATURE <u>[Signature]</u>	DATE <u>6/27/2007</u>

(This space for State use only)

RECEIVED

JUN 28 2007

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4301931477
Well Name: Federal 14-11
Location: NWSW Section 14-T20S-R21E, Grand County, UT
Company Permit Issued to: Elk Production, LLC
Date Original Permit Issued: 5/25/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

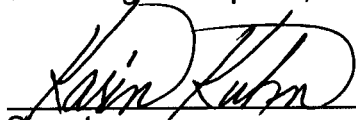
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐



Signature

6/27/2007

Date

Title: Sr. Engineering Technician

Representing: Elk Production, LLC

**RECEIVED
JUN 28 2007**

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02139A
2. NAME OF OPERATOR: Elk Production, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: NA
PHONE NUMBER: (303) 296-4505		8. WELL NAME and NUMBER: Federal 14-11
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1810' FSL, 533' FWL		9. API NUMBER: 4301931477
QTR/QTR. SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 14 20S 21E S		10. FIELD AND POOL, OR WILDCAT: Greater Cisco
COUNTY: Grand		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>EXTEND APD</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Elk Production, LLC requests to extend the APD for the subject drilling location for another year (expiring 5/25/2009). There have been no changes to the original APD (approved by the State 5/25/2006). Attached is a Request for Permit Extension Validation checklist.

Approved by the
Utah Division of
Oil, Gas and Mining

COPY SENT TO OPERATOR

Date: 5-20-2008

Initials: KS

Date: 05-14-08
By: [Signature]

NAME (PLEASE PRINT) <u>Karin Kuhn</u>	TITLE <u>Sr. Engineering Technician</u>
SIGNATURE <u>[Signature]</u>	DATE <u>5/5/2008</u>

(This space for State use only)

RECEIVED

MAY 09 2008

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4301931477
Well Name: Federal 14-11
Location: NWSW Section 14-T20S-R21E, Grand County, UT
Company Permit Issued to: Elk Production, LLC
Date Original Permit Issued: 5/25/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

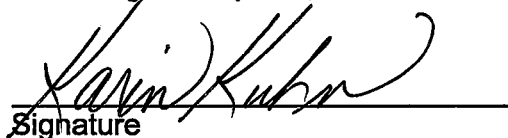
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

5/5/2008

Date

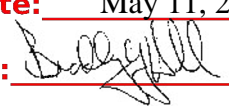
Title: Sr. Engineering Technician

Representing: Elk Production, LLC

RECEIVED

MAY 09 2008

DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02139-A
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: ELK PRODUCTION, LLC		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 1401 17th Street, Suite 700 , Denver, CO, 80202		8. WELL NAME and NUMBER: FEDERAL 14-11
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1810 FSL 0533 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 14 Township: 20.0S Range: 21.0E Meridian: S		9. API NUMBER: 43019314770000
PHONE NUMBER: 303 296-4505 Ext		9. FIELD and POOL or WILDCAT: GREATER CISCO
COUNTY: GRAND		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/1/2009 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Please extend the APD for the subject drilling location for another year. There have been no changes to the original APD. Attached is a Request for Permit Extension Validation checklist.		
Approved by the Utah Division of Oil, Gas and Mining Date: May 11, 2009 By: 		
NAME (PLEASE PRINT) Karin Kuhn	PHONE NUMBER 303 296-4505	TITLE Sr. Engineering Technician
SIGNATURE N/A	DATE 5/7/2009	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43019314770000

API: 43019314770000

Well Name: FEDERAL 14-11

Location: 1810 FSL 0533 FWL QTR NSW SEC 14 TWNP 200S RNG 210E MER S

Company Permit Issued to: ELK PRODUCTION, LLC

Date Original Permit Issued: 5/25/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Approved by the
Utah Division of
Oil, Gas and Mining**

Signature: Karin Kuhn

Date: 5/7/2009

Title: Sr. Engineering Technician **Representing:** ELK PRODUCTION, LLC

Date: May 11, 2009

By:

RECEIVED May 07, 2009



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 5, 2010

Elk Production LLC
1401-17th St., Ste. 700
Denver, CO 80202

Re: APD Rescinded – Federal 14-11, Sec.14, T.20S, R.21E
Grand County, Utah API No. 43-019-31477


Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 25, 2006. On June 28, 2007, May 14, 2008 and May 11, 2009, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective August 5, 2010.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Moab

